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## OPENING STATEMENT\*

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As chairman of the 1979 annual health conference of the New York Academy of Medicine, I am pleased to open this meeting and to welcome you this morning. Our topic is an important one. We need to look at the effect of cost containment efforts on the allocation of resources for health programs. Health care of high quality available and accessible to all people is a goal of any decent and humane society. A society as wealthy as ours has the means to achieve this end.

The ever increasing expenditures for health services brought about by Medicare, Medicaid, and other third party coverage reflect efforts in this direction. Yet, at the same time, containing the costs of health services is a burning issue. Those of us who are committed to better health services must ask the question: Will the cost containment measures adopted and proposed advance us to better health care or will their design and implementation set back progress in health services?

This year's conference takes place in a time of falling expectations not so much about the value of health and health care, but over the resources available for health, nationally and locally, and how these are to be distributed. Groups and communities deeply conflict on how the dilemma of balancing diminishing services with greater needs will be solved. The debate is often strident, reflecting the concerns and fears and the powerful interests at play.

Our political leaders sense the importance of the problem but are reluctant to take the risks of making the necessary decisions. Our methods of paying for health care, relying on massive local expenditures, threaten the economic life of our older urban communities. People who have made their first strides toward opportunity through a job in the health field are

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\*Presented as part of the 1979 Annual Health Conference of the New York Academy of Medicine, *Cost Containment and Resource Allocation in Health Care*, held at the Academy May 10 and 11, 1979.

threatened with loss of that job. Communities are concerned that closing an important local institution will be the final step toward ultimate deterioration of their neighborhood. Yet excess and underused capacity and an imbalance of services not only threatens the economy, but also the patient.

Given the growing view that the problem is intractable, we have an obligation to persist in the exploration of the dilemmas and the possible solutions. Our current conference ranges widely over the topic. We have attempted to present divergent views and experiences but here, too, our audience will help us to broaden our perspectives. May our discussions help us move forward to greater efforts to make our health system more responsive and more cost-effective.